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NEWS ROUNDUP

The Universities of Wyoming and North Dakota have been approached about taking over two of the three Department of Energy fossil fuel research centers slated to be cut from the federal budget. The other, in Bartlesville, Okla., is also in search of non-federal operation with the leading candidate being Phillips Petroleum Co., DOE sources say. DOE hopes private and state participants will assume overhead and operating costs so that federal research can continue there without transferring personnel to the two remaining federal facilities, in Morgantown, W. Va. and Pittsburgh, Pa. Fossil fuel officials hope to have a private takeover plan cinched before presenting a formal recommendation to Energy Secretary James B. Edwards, but sources admit the congressional budget process could force earlier action.

CSX Corp. of Richmond will acquire outstanding stock of the Carolina, Clinchfield and Ohio Railway Co. in exchange for a new class of CSX convertible preferred stock. CC&O has no active operations but owns land and trackage which has been leased to two of CSX's major railroad subsidiaries. J. Calvin Knotter, CC&O's president, said the railroad's board felt the exchange would raise the yearly \$5 per share dividend from rentals to the CSX subsidiaries while letting CC&O shareholders participate in the larger com-

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Slurry Strategists See An Improved Climate For Federal Legislation

By Steve Marcy

WASHINGTON — Strategists for coal slurry pipelines see an improving climate for passage this year despite nearly a decade of dashed hopes and an increasingly crowded legislative calendar.

Sen. J. Bennett Johnston, D-La., has constructed his S. 1844 so that it falls solely within the jurisdiction of the Senate Energy Committee and stays out of the clutches of the Commerce Committee, the principal forum for railroad issues.

The rail industry, with greater rate-making freedom since passage of the Staggers Rail Act in 1980, is in a weaker position to oppose legislation designed to give pipeline projects the right to ask federal courts for eminent domain, industry and some Capitol Hill sources believe.

Eminent domain allows pipelines to condemn private property for rights of way.

Parliamentary Interpretation

Capitol Hill sources say that Johnston has won an interpretation from the Senate parliamentarian that the entire Senate must

(Continued on page 4)

Congress Groping for Waterways Financing Plan

WASHINGTON — The House Water Resources Subcommittee completes its hearings this week on how to reverse 190 years of total reliance on the federal government for building and maintaining the nation's waterways.

The subcommittee's chairman isn't sure if the hearings have sufficiently enlightened the panel on the total impacts of the reversal, but it plans to begin writing legislation next month. It would impose ton-mile segment and system-wide fees for partially financing the rehabilitation and upkeep of coal ports.

Subcommittee aides continue to expect that "we'll get something" in the way of cost recovery this year, despite controversial

fight over the budget and the economy already crowding the legislative calendar.

Subcommittee Chairman Robert Roe, D-N.J., noted repeatedly during witnesses' testimony this month that neither the administration nor industry could assess comprehensively the impact on trade of a "triple tax" of users fees.

May "Nickel and Dime"

Roe's concern is that the combination of a ton-mile inland maintenance fee, ton-mile charges on segments undergoing major renovation, deep-draft port capital cost recovery and port maintenance fees will nickel and dime the U.S. out of a competitive position in the coal and grain markets.

The U.S. already receives about \$8 billion

yearly in customs fees. Roe and others indicated that these revenues, in combination with segment and new tonnage fees on U.S. goods moving to export, would be recommended by the subcommittee for a partial offset of dredging and maintenance costs, but not full cost recovery as the administration wishes.

The Public Works Committee's resistance to Reagan administration proposals was underscored in its recommendation to the House Budget Committee. It rejected an administration-requested cut of \$150 million, avoiding an attempt by the administration to use the cut as a lever to force the adoption of users fees.

(Continued on back page)

As Slurry Technology Improves

Options Range from Air to Plastic Bags

By Gene Smith

NEW YORK — Someday in the not-too-distant future, coal may be arriving regularly at power plants or ports by pipelines. It may be mixed with water, methanol or some other liquid or gas, or it may come in huge plastic bags floating in saline water. And it might also arrive in special air-propelled vehicles.

Each of these possibilities is in various stages of development and each offers specific advantages. The chief roadblock towards actual operations is the nation's railroads who, for more than a century, have held virtual monopoly on long-distance hauling of coal.

The only other competition has come from barges and ships on inland waterways and in intracoastal traffic and from trucks serving regional needs.

Special Report

The concept of shipping coal in pipelines is not new. An above-ground pipeline was used to transport coal in liquid form in New York City prior to 1900 and in 1914 a coal slurry pipeline was operating in London. In 1957 Consolidation Coal built a 10-inch, 108-mile line from Cadiz, Ohio, to a power plant at Cleveland. It handled about 12 million tons of coal annual for 6 years until the utility was persuaded to switch to lower cost unit trains for shipping coal to all of its power plants.

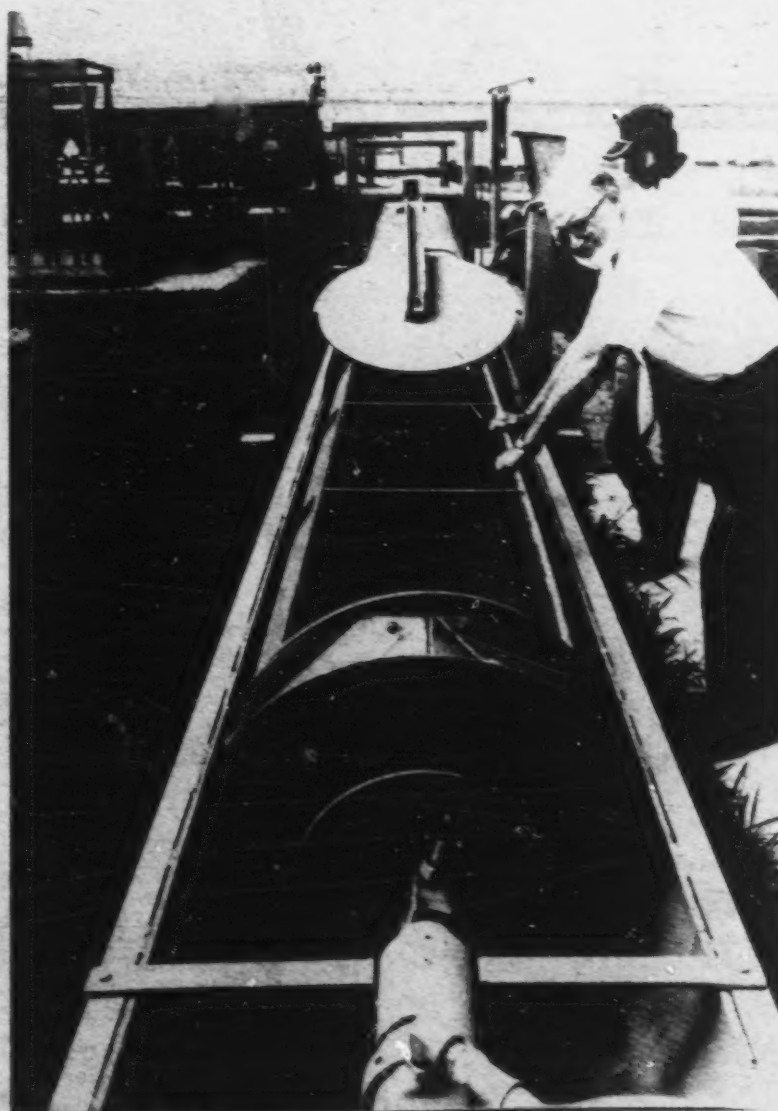
Ironically, the Black Mesa Pipeline, which has been running for more than 11 years across Arizona to California, is a wholly-owned subsidiary of Southern Pacific Pipeline, which is, in turn, owned by Southern Pacific Co., holding company for the railroad.

Can Live With Slurry

So, it appears that railroads can live with (and even own) slurry pipelines despite their vehement opposition towards granting proposed pipelines the needed right of eminent domain that would allow them to be constructed.

The very mention of coal slurry lines con-

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BEARDED INVENTOR of "Tubexpress," Dr. M.R. Carstens, professor emeritus at the Georgia Institute of Technology, checks prototype vehicle at Houston test loop of new slurry transport process.

FACTS & FIGURES

Domestic

	WEEKLY				MONTHLY		
	3/8/82	2/27/82	3/7/81		12/81	11/81	12/80
Production				Bituminous and Lignite Consumption			
Bituminous, recent week	18,448	18,528	18,962	Electric power utilities	52,968	46,873	51,068
Bituminous, year to date	149,877	154,284	—	Coal user stocks of coal	159,144	159,454	178,269
Anthracite, recent week	137	138	100	Electric power utilities	148	141	89
Anthracite, year to date	1,117	992	—	Coal user stocks of coal	5,537	5,458	4,741
Railroad carloadings				Anthracite Consumption			
Bituminous, recent week	124,621	125,037	130,837	Electric power utilities	—	—	—
Bituminous, year to date	1,009,716	1,064,095	—	Coal user stocks of coal	—	—	—
Anthracite, recent week	152	137	222	Electric power utilities	—	—	—
Anthracite, year to date	1,315	527	—				

Production data in thousands of short tons.

Source: U.S. Dept. of Energy, Energy Information Administration—Weekly Coal Report.

Note: Data give in thousands of short tons.

Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	WEEKLY				MONTHLY		
	3/8/82	2/27/82	3/7/81		11/81	10/81	11/80
Production by states, bituminous and lignite				Coal User Production			
Alabama	600	603	620	Major district users:			
Georgia	—	—	—	Electric utilities			
Illinois	1,369	1,375	1,443	(Mil. Kwh.)			
Indiana	674	677	710	Weekly, 2/9/82	94,841	97,046	93,501
Kentucky:				Price indexes			
Eastern	2,422	2,433	2,493	Bituminous Coal and Lignite	102.1	100.0	N.A.
Western	927	931	929	Primary Products	104.1	100.0	N.A.
Total, Ky.	3,349	3,364	3,422	Prepared	101.7	100.0	N.A.
Maryland	91	91	104	Steam electric utilities	101.9	100.0	N.A.
Ohio	864	868	1,046	North Appalachia	100.8	100.0	N.A.
Pennsylvania	1,854	1,862	1,639	Spot	N.A.	N.A.	N.A.
Tennessee	211	212	234	Contract	100.2	100.0	N.A.
Virginia	927	931	1,183				
West Virginia	2,896	2,708	2,427	South Appalachia			
Total, eastern	15,964	16,055	16,250	Contract	N.A.	N.A.	N.A.
Western				Midwest	102.9	100.0	N.A.
Alaska	17	17	19	Contract	103.3	100.0	N.A.
Arizona	232	233	155	West	102.9	100.0	N.A.
Arkansas	4	4	12	Contract	102.9	100.0	N.A.
Colorado	421	423	364	Metallurgical/coke producer	100.0	100.0	N.A.
Iowa	13	13	14	High volatile	99.8	100.0	N.A.
Kansas	17	17	21	North Appalachia	100.1	100.0	N.A.
Missouri	116	116	153	Contract	100.2	100.0	N.A.
Montana	716	719	732	South Appalachia			
New Mexico	421	423	521	Contract	99.6	100.0	N.A.
North Dakota	384	386	460	West	100.6	100.0	N.A.
Oklahoma	118	118	113	Contract	100.4	100.0	N.A.
Texas	695	698	691	Low volatile			
Utah	316	317	327	North Appalachia			
Washington	110	110	53	Contract	N.A.	N.A.	N.A.
Wyoming	2,233	2,243	2,499	South Appalachia			
Total Western	5,813	5,837	6,134	Contract	N.A.	N.A.	N.A.
Total, United States	18,448	18,528	18,962	All other industrial	102.0	100.0	N.A.
				North Appalachia			
				Contract	N.A.	N.A.	N.A.
				Midwest			
				Contract	100.5	100.0	N.A.
				Unprepared (raw)	100.7	100.0	N.A.
				For preparation at other establishments	N.A.	N.A.	N.A.
				For use without preparation	105.6	100.0	N.A.
				Anthracite	153.1	153.1	148.0
				Primary products	153.0	153.0	148.8
				Prepared anthracite shipped	153.7	153.7	148.5
				Stove	145.7	N.A.	138.4
				Chestnut	145.0	N.A.	137.6
				Pea	163.1	163.1	154.1
				Buckwheat no. 1	N.A.	N.A.	142.7
				Buckwheat no. 2	162.9	162.9	153.3
				Buckwheat no. 4	N.A.	N.A.	N.A.
				Buckwheat no. 5	N.A.	N.A.	N.A.
				N.A.—Not Available			

In short tons (000).

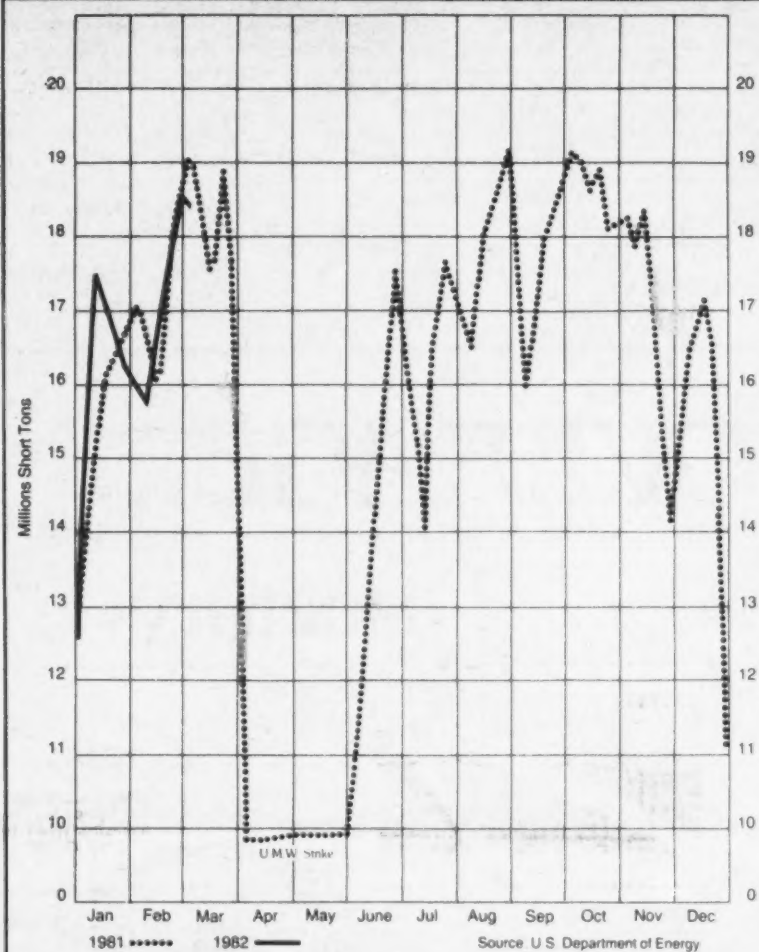
Source: U.S. Dept. of Energy, Energy Information Administration—Weekly Coal Reports.

	MONTHLY				MONTHLY		
	1/82	12/81	1/81		1/82	12/81	1/81
Coal Labor				Anthracite			
All employees	255.1	257.7	251.4	Primary products	153.0	153.0	148.8
Coal Mining	251.7	254.3	248.1	Prepared anthracite shipped	153.7	153.7	148.5
Production employees				Stove	145.7	N.A.	138.4
Coal mining	211.6	213.9	208.9	Chestnut	145.0	N.A.	137.6
Bituminous & Lignite	208.5	210.8	205.9	Pea	163.1	163.1	154.1
Hours, weekly average	40.9	42.7	42.1	Buckwheat no. 1	N.A.	N.A.	142.7
Coal mining	40.9	42.7	42.1	Buckwheat no. 2	162.9	162.9	153.3
Bituminous & Lignite	40.9	42.7	42.1	Buckwheat no. 4	N.A.	N.A.	N.A.
Earnings, hourly average	12.41	12.38	10.40	Buckwheat no. 5	N.A.	N.A.	N.A.
Coal mining	12.45	12.41	10.43	N.A.—Not Available			
Bituminous & Lignite							
Earnings, weekly average	507.57	528.63	437.84				
Coal mining	509.21	529.91	439.10				
Bituminous & Lignite							

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	1/82	12/81	1/81	1/82	12/81	1/81	1/82	12/81	1/81
Bituminous coal, low volatile blends to make coke No. 5213110									
Japan	2,180,461	2,558,195	1,352,538	121,747,643	147,810,251	77,009,244	55.83	57.79	56.94
Italy	858,002	1,088,193	402,067	42,880,186	50,450,041	21,749,815	49.97	46.36	54.10
Canada	1,260	1,304,348	NA	49,600	75,176,148	NA	39.36	57.63	NA
Brazil	327,239	434,193	220,007	16,807,270	17,899,509	12,820,451	51.36	41.22	58.27
Netherlands	96,553	260,985	161,811	5,673,286	14,903,230	8,507,084	58.75	57.10	52.57
Spain	217,067	224,512	331,073	10,058,073	11,531,326	18,763,275	46.33	51.36	50.63
Germany, F.R. (West)	114,548	265,898	112,064	6,017,629	10,835,265	6,159,665	52.53	40.74	54.97
Yugoslavia	38,718	67,894	—	2,300,673	3,958,919	—	59.42	58.48	—
Belgium	585,746	468,822	130,720	14,559,582	22,811,735	7,234,589	24.85	48.65	55.34
United Kingdom	165,388	217,381	—	10,132,713	11,922,133	—	61.26	54.84	—
Sweden	63,606	83,381	—	3,374,153	3,441,986	—	53.04	41.28	—
France	264,052	656,447	432,927	9,967,483	37,928,828	24,248,829	37.74	57.78	58.01
Total, above	4,912,638	7,492,385	3,283,275	243,568,301	406,669,369	182,161,137	49.57	54.55	55.48
Total, other nations	384,955	564,893	857,088	36,967,028	30,690,248	33,345,448	96.02	55.30	50.75
Total, all nations	5,297,594	8,047,278	4,140,363	280,535,329	439,369,618	215,506,585	52.95	54.59	54.69

LATEST U.S. PRODUCTION
Estimated Bituminous Coal and Lignite

PRODUCTION of coal and lignite in the week ended March 6 declined by 80,000 short tons to 18.4 million short tons, a 0.4 percent decrease from the previous week, figures from the Department of Energy's Energy Information Administration show. The corresponding week for 1981 showed production at 18.9 million short tons. So far in 1982, bituminous and lignite production has totaled 149,877 million short tons, 2.9 percent fewer than in 1981.

Bituminous coal, others									
No. 5213120									
Canada	1,082	1,783,786	NA	53,630	79,955,096	NA	49.56	44.82	NA
Japan	301,750	356,771	177,439	14,523,143	18,112,814	8,147,193	48.12	50.76	43.77
Denmark	124,955	226,935	149,330	6,561,985	13,174,437	6,407,771	59.20	58.05	42.91
Netherlands	224,763	342,712	270,456	13,307,938	16,993,061	11,838,242	59.20	49.58	43.77
Italy	119,003	215,710	129,754	9,811,342	11,350,600	4,907,384	49.30	52.61	37.82
China, Taiwan	124,972	346,516	—	5,261,352	15,229,622	—	42.10	43.95	—
Finland	—	62,077	—	—	2,815,843	—	—	45.36	—
Spain	131,999	233,291	141,001	7,252,277	11,292,924	5,964,837	54.94	48.40	42.51
France	64,292	172,691	365,510	2,314,512	7,055,827	14,608,518	36.00	40.85	39.97

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	1/82	12/81	1/81	1/82	12/81	1/81	1/82	12/81	1/81
Germany, F.R. (West)	—	195,146	—	—	11,181,334	—	—	57.29	—
Belgium	—	218,072	136,157	—	8,207,440	5,152,261	—	37.63	34.84
Total, above	2,483,950	3,753,707	1,369,647	124,037,374	195,368,998	57,056,226	49.93	52.04	41.66
Total, other nations	1,172,806	727,212	416,986	59,086,179	38,737,392	20,852,984	50.38	53.26	50.01
Total, all nations	1,311,144	1,102,582	1,786,633	64,951,195	234,106,390	77,909,210	49.53	21.23	43.61

Lignite No. 5213130									
Total, all nations	1,057	1,411	2,519	262,544	275,458	341,870	248.38	195.22	135.72

Coal coke for use as fuel									
No. 5213148									
Total, all nations	42,595	129,899	94,491	3,685,632	7,859,970	5,673,870	86.52	60.50	60.05

Petroleum coke, except calcined No. 5213150									
Japan	117,104	128,742	184,179	6,611,770	6,474,825	6,056,742	56.46	50.29	36.89
Netherlands	28,744	75,234	—	1,524,235	4,556,274	—	53.02	60.56	—
Canada	13,741	55,659	—	683,383	3,916,500	—	48.73	70.36	—
Total, above	159,589	129,899	184,179	8,819,388	14,947,599	4,996,594	55.26	57.57	30.43
Total, other nations	339,627	445,922	108,929	19,487,696	7,859,970	4,996,594	57.37	60.50	45.87
Total, all nations	499,216	705,557	273,108	28,307,084	37,692,689	11,053,336	56.70	53.42	46.47

Compositions for fuel									
No. 5213160									
Total, all nations	288	1,067	284	26,398	85,122	43,168	98.24	80.71	151.99

Anthracite No. 5213170									
Korea Rep. (South)	141,868	66,902	—	5,489,631	3,423,032	—	38.74	51.16	—
Total, all nations	146,982	100,553	65,331	5,975,353	5,721,686	2,240,505	40.65	58.90	34.29